

## Savings Now, Savings Later

Smart Early Childhood Programs Pay Off Right Away And For The Long Term

Abundant evidence has shown that quality early childhood programs generate enormous long-term benefits for young people as they grow to become productive adults, for our economy, and for society.

But we don't have to wait 10 or 20 years to see strong returns on our investments in young children. Some programs create real savings in a year or less. Early education also improves third-grade scores, and children who do not read well by the end of 3rd grade are 4 times more likely to drop out. This brief documents three kinds of programs that have both near-term and sustained impact.

### Quality home visiting/parent mentoring programs can reduce costs and improve outcomes *now*

- High-quality programs, in which trained, professional mentors support at-risk expectant and new parents, can cut nearly in half the number of low-birthweight births, saving \$28,000-\$40,000 for each one averted. They also delay potentially costly second births.
- By reducing child abuse and neglect by up to 80%, home visiting programs can save states some of the \$33 billion in annual medical, legal, and other costs associated with these problems.

#### **Early Childhood Benefits Start Now**

Ages 0-2:
Healthier births, delayed second births, reduced child abuse and neglect, fewer emergency room visits, improved factors associated with obesity, and more employment and less welfare for mothers.





Ages 3 – 4: Increased kindergarten readiness, reduced school and parental work absenteeism.

Ages 5 – 8: Reduced grade retention, special education placement and absenteeism; increased reading and math proficiency, better health outcomes and lower costs.



- Toddlers who participated in the Nurse-Family Partnership (NFP) program had 32% fewer emergency room visits than their peers and 56% fewer visits for injuries and poisonings. Through these and other savings, NFP can pay for itself within 4 years.
- Parents in the NFP program saw an 82% increase in the number of months employed, while the time they received welfare benefits shrank by 30 months.
- An Australian study found that children in a nurse home visiting program had lower body mass index ranges at age 2. The program also improved other factors linked with obesity, such as TV viewing times and infant feeding practices.



## Effective pre-kindergarten programs reduce costly grade retention, special education, and other services right away

- In a Pennsylvania program, the percentage of children with developmental delays (a predictor of special education) fell from 21% at entry to 8% at program graduation.
- Louisiana's LA4 program reduced by up to 33% the number of children who had to repeat kindergarten, and cut by nearly half the need for special education placement through second grade.
- In New Jersey, children who attended the Abbott Preschool Program at ages 3 and 4 were half as likely to be held back by second grade.
- Children who attended the Chicago Child-Parent Centers were half as likely to experience child abuse and neglect, compared to nonparticipants.

## Health programs can show a strong return for children, parents, schools and employers

- Preventive efforts to decrease instances of asthma in children can reduce the number of missed work days for parents of at-risk children by up to 50% and school absenteeism by 41%.
- A study from UCLA and Johnson & Johnson found that providing basic health care education and tools for atrisk families reduced emergency room visits by up to 58% and doctor visits by up to 40%, saving individual families an average of \$447 per year. These efforts also reduced the number of missed school days by 28%.

# The benefits continue into early elementary school, including the critical third-grade benchmark year. Third-grade scores correlate strongly with high school graduation

 Through grade 3, participants in Michigan's Great Start Readiness Program were 36% less likely to have been held back, 16% more likely to pass the math portion of state exams and 24% more likely to pass the reading portion.

- Graduates of the Chicago Child-Parent Centers had 35% less grade retention and 26% less special education placement than their third-grade peers.
- Children who benefited as infants from a quality nurse-home visiting program show increased math and reading scores through the third grade.
- By 3rd grade, participants in Utah's Granite School
  District preschool program enjoyed a 51% increase in
  math proficiency and a 27% increase in language arts
  proficiency over peers who had not attended preschool.

#### Who we are

ReadyNation, a project of America's Promise Alliance, is a business partnership that amplifies the voice of business leaders in support of early childhood policies and programs proven to strengthen our economy and workforce. ReadyNation is a key component of Grad Nation, a large and growing movement of individuals, organizations, and communities working together to end America's dropout crisis.

ReadyNation has worked in 30 states to help build business coalitions that support evidence-based programs and policies in support of early childhood.

Our website has an array of information to help support business champions for early childhood, including economic evidence, potential speakers, media articles and presentation materials. These short-term benefits have spurred interest in using "social impact bonds" to finance early childhood programs, and information on this strategy is also available at www.ReadyNation.org.

#### Take the ReadyNation Pledge

Join Nobel Laureate James Heckman, Oklahoma CEO George Kaiser and former West Virginia Governor Bob Wise in taking the ReadyNation pledge. Signing the pledge is an easy and quick way to show your belief in the economic importance of high-quality early childhood programs. It does not endorse a particular program. Every name is important. Go to www.ReadyNation.org/pledge.

Full citations are available at www.ReadyNation.org

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